

**ORDINANCE NO. 42****AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, IMPOSING A LEASEHOLD EXCISE TAX, ESTABLISHING PENALTIES FOR VIOLATIONS THEREOF AND AUTHORIZING A CONTRACT WITH THE WASHINGTON DEPARTMENT OF REVENUE FOR THE ADMINISTRATION AND COLLECTION OF THE TAX.**

WHEREAS, King County presently imposes a leasehold excise tax on leases of publicly owned real and personal property which is collected from residents of, and from leaseholds located within the City; and

WHEREAS, the City can impose and collect such a tax which is credited against the taxes now being paid to King County, so that revenues will remain within the City for municipal purposes; and

WHEREAS, the imposition of such taxes will not increase the tax burden upon the residents of the City, but will generate revenues essential to the operation of the City and the efficient provision of governmental services;

**THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DOES ORDAIN AS FOLLOWS:**

**Section 1.** Imposition of Leasehold Excise Tax. Pursuant to authorization of RCW 82.29A.040, there is hereby imposed a leasehold excise tax on the act or privilege of occupying or using publicly owned real or personal property within the City, through a "leasehold interest" as defined in RCW 82.29A.020. The tax shall be imposed upon and collected from those persons holding such leasehold interests within the City from whom a leasehold excise tax is collected by the State Department of Revenue, pursuant to Chapter 82.29A, RCW.

**Section 2.** Rate of Leasehold Excise Tax. The rate of the tax imposed by Section 1 shall be four percent of the taxable rent, as defined by RCW 82.29A.020(2), less any allowable credits pursuant to RCW 82.29A.120.

**Section 3.** Exemptions. Leasehold interests exempted from leasehold excise taxes by RCW 82.29A.130 and .135 shall also be exempt from the tax imposed by Section 1 of this Ordinance.

**Section 4.** Administration and Collection. The administration and collection of the tax imposed by Section 1 shall be in accordance with the provisions of RCW 82.29A.080.

**Section 5. City Manager and State to Contract.** The Mayor and the City Clerk are hereby authorized on behalf of the City to enter into a contract with the State Department of Revenue for the administration of the taxes imposed herein, pursuant to RCW 82.29A.080. A copy of the contract shall be maintained on file in the Office of the City Clerk and is, by this reference, incorporated herein.

**Section 6. Severability.** If any action, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

**Section 7. Penalty.** It is unlawful for any person to fail or refuse to pay taxes with intent to violate the provisions of this ordinance. Any person violating any provision of this ordinance shall be guilty of a misdemeanor and upon conviction thereof punished pursuant to state law or city ordinance.

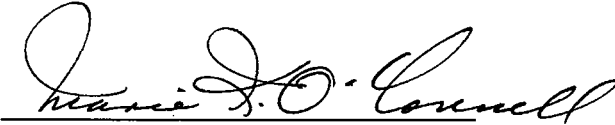
**Section 8. Effective Date and Date of Publication.** This Ordinance shall take effect and be in force on the City's official date of incorporation, August 31, 1995, except that the authorization to contract set forth at Section 5, above, shall be effective five days after publication of this ordinance.

**PASSED BY THE CITY COUNCIL ON AUGUST 14TH, 1995.**

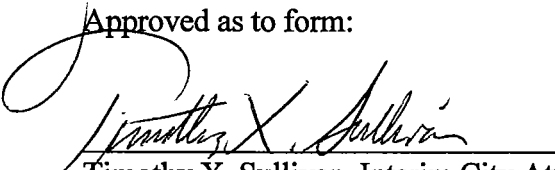
CITY OF SHORELINE

  
\_\_\_\_\_  
Mayor Connie King

ATTEST:

  
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Marie K. O'Connell, Interim City Clerk

Approved as to form:

  
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Timothy X. Sullivan, Interim City Attorney

Date of Publication: 8/17/95  
Effective Date: 8/31/95